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Financing of the United Nations Mission for the Referendum in Western Sahara

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Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General containing the performance report for the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 1997 to 30 June 1998 (A/53/810) and the proposed budget for the maintenance of the Mission for the 12-month period from 1 July 1999 to 30 June 2000 (A/53/820). During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General and the Chief Administrative Officer of the Mission, who provided additional information.

2. The United Nations Mission for the Referendum in Western Sahara was established by the Security Council in its resolution 690 (1991) of 29 April 1991 for an initial period of six months. Since then, its mandate has been extended by the Security Council in various resolutions, the latest being resolution 1235 (1999) of 30 April 1999, which further extended the mandate of the Mission until 14 May 1999.

3. As indicated in section V.A of the proposed budget (A/53/820), total resources made available to the Mission from its inception until 30 June 1999, will amount to $385,730,800 gross, subject to extension of the mandate by the Security Council beyond 14 May 1999. Expenditures are estimated at $354,625,800 gross. The Advisory Committee was further informed that, as of 31 December 1998, amounts totalling $347.7 million had been assessed on Member States, while payments received totalled $288.3 million, leaving a shortfall of $59.4 million. Furthermore, cash balances as of 31 December 1998 amounted to $6.5 million.

4. Voluntary contributions received from inception until 30 June 2000 are detailed in table 3 and annex III to the report of the Secretary-General (A/53/820). The Advisory Committee notes that the contribution of office accommodations provided by Mauritania, as indicated in table 3 of the report, should have been included in annex III as well. In addition, the Advisory Committee was informed that troop contributors had received payment of $3.7 million for the period from 1 September 1991 to 30 June 1997 and that an estimated amount of $1.8 million was due for the period from 1 July 1997 to 31 December 1998.

Financial performance report for the period from 1 July 1997 to 30 June 1998

5. The report of the Secretary-General (A/53/810) contains information on the financial performance of MINURSO for the period from 1 July 1997 to 30 June 1998.

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It also outlines the action to be taken by the General Assembly at its fifty-third session in connection with the financing of MINURSO.

6. In paragraph 7 and annex I to the report, it is indicated that the total resources provided to MINURSO by the General Assembly, in its resolutions 51/2 B of 13 June 1997 and 52/228 A of 31 March 1998, for the period from 1 July 1997 to 30 June 1998 amount to $47,402,100 gross ($44,419,700 net). This includes the amount of $1,122,000 for the support account for peacekeeping operations. Expenditures amount to $40,878,900 gross ($39,062,500 net), resulting in an unencumbered balance of $6,523,200 gross ($5,357,200 net) — approximately 14 per cent of the amount appropriated.

7. The Advisory Committee notes that the unencumbered balance resulted, in large part, from the delayed deployment of contingent personnel, as well as initial delays in the deployment of civilian personnel. In this connection, the Advisory Committee notes that savings of $1,037,600, out of an apportioned amount of $9,917,700, are reported under military personnel costs, and that savings of $5,168,600, out of an apportioned amount of $20,882,700, are reported under civilian personnel costs. Moreover, although related costs for international salaries and common staff costs were calculated on the basis of 50 per cent of staff on appointments of limited duration, mission appointees ranged from 75 to 80 per cent of the total, contributing to additional savings under civilian personnel costs.

8. However, these savings were partially offset by an overexpenditure of $242,300 under operational costs. In particular, under premises and accommodations, an expenditure of $430,600 over the apportioned amount of $1,128,900, was reported. In this regard, the Advisory Committee recalls that the Secretary-General, in his report of 20 February 1998 had indicated a provision of $40,000, under construction/prefabricated buildings, for the construction of two base camps (A/52/730/Add.2, annex II.C, para. 4). Although the Advisory Committee notes that savings were achieved from lower rental rates for premises in Laayoune, the non-rental of 30 apartments originally required for the identification process and lower requirements under alterations to premises, maintenance supplies and services and utilities, this was more than offset by additional requirements of $635,800 for the extensive renovation of a logistics complex in Laayoune used as residential and office accommodations for the engineering support and demining contingent personnel, thus resulting in the net additional requirement of $430,600 under premises/accommodations.

9. The Advisory Committee was informed that the Mission had expected a voluntary contribution for the engineering and demining unit that did not materialize, hence the need to renovate the complex in Laayoune. Moreover, it was also informed that the complex is currently used as a warehouse. In this connection, the Advisory Committee recalls the observation made in the report of the Office of Internal Oversight Services regarding the need to establish and enforce a clear policy regarding accommodations in MINURSO (A/53/428, para. 29).

10. It is indicated in paragraph 16 of the performance report (A/53/810) that the action to be taken by the General Assembly at its fifty-third session in connection with the financing of MINURSO is a decision on the treatment of the unencumbered balance of $6,523,200 gross ($5,357,200 net) for the period from 1 July to 30 June 1998. The Advisory Committee recommends that Member States be credited their respective shares of the unencumbered balance for the period in question in a manner to be determined by the Assembly.

Proposed budget for the period from 1 July 1999 to 30 June 2000

11. The proposed budget of MINURSO for the period from 1 July 1999 to 30 June 2000, contained in the report of the Secretary-General of 11 February 1999 (A/53/820), amounts to $49,023,000 gross ($45,071,400 net). The proposed budget contains the operational requirements of MINURSO at the maintenance level, including the identification process (see para. 20 and 21 below). As indicated in paragraph 22 of the report, the proposed requirements represent a decrease of $9,643,300 in gross terms — or 16.4 per cent — when compared to the previous 12-month period. The Advisory Committee further notes that the proposed budget takes into account the maintenance requirements at the strength authorized by the Security Council in its resolution 1133 (1997) of 20 October 1997, the recent pattern and history of expenditures in the mission area, as well as the repatriation, during the 1998/99 financial period, of the military engineering support and demining units and related reductions. The resulting decrease, when compared to the 1998/99 budget, is mostly due to the reduction in the estimates for military personnel, which decrease in number from 193 to 27 with the repatriation in the 1998/99 period of the engineering support unit, and related operational costs, as well the reduction in the estimates for civilian personnel costs, reflecting a reduction of 15 international and local posts.

12. Military personnel costs therefore decrease by $5,879,000, or 43.6 per cent, over the budget for the 1998/99

period, while civilian personnel costs decrease by $1,157,700, or 4.3 per cent. The budget provides for the maintenance of 203 military observers, 27 military contingent personnel, 81 civilian police, 280 international staff, 95 local staff and 10 observers of the Organization of African Unity (OAU).

13. The Advisory Committee notes from the report of the Secretary-General that the three factors affecting staff costs are: a proposed reduction of civilian staffing by 5 international and 10 local posts, a proposed vacancy factor of 15 and 10 per cent for international and local posts, respectively, and a downward adjustment for international civilian staff salaries and related costs in respect of mission appointees, on the basis of such personnel representing 65 per cent of the total.

14. The Advisory Committee was provided, upon inquiry, with the following average vacancy rates for the period from 1 July 1998 to 31 January 1999: 2.5 per cent for military observers, 27.4 per cent for military contingents, 20.1 per cent for civilian police, 21.4 per cent for international staff, 7.5 per cent for local staff and 20 per cent for OAU observers.

15. The Advisory Committee was informed that in view of the continuing operational requirements of the Mission with regard to engineering and logistical support of its activities, in particular the maintenance of the three mission-owned base camps and the logistics complex in Laayoune, it was considered necessary to retain the Engineering and Logistics Sections in the organizational structure of the Mission, headed by Professional staff at the P-4 and P-3 levels, respectively.

16. Operational costs show a reduction of $2,327,600, or 16.8 per cent as compared with the budget for the 1998/99 period. The Secretary-General's estimate under air operations provides for an amount of $6,959,300 — a decrease of $1,103,300 when compared to the estimate for the current 1998/99 budget period. This decrease is mostly due to the reduction in the number of helicopters from four to three after repatriation of the engineering support unit, and a 44.5 per cent decrease in the average cost of related aviation fuel; this is partly offset by a 23.7 per cent increase in requirements for hire/charter costs owing to the signing of a new contract in January 1999. The reduction also includes lower costs under fixed-wing aircraft attributable to reduced requirements for aviation fuel for the two aircraft utilized in support of the Mission's operational requirements and the third to be deployed in connection with the identification process.

17. The requirements under transport operations, estimated at $1,756,700, reflect a decrease of $525,100, or 30 per cent, when compared to the 1998/99 period. The provision provides for a fleet of 244 vehicles and includes the replacement of 62 vehicles at $914,500 that have met the necessary criteria for write-off.

18. In paragraphs 11 to 14 of the report of the Secretary-General of 28 January 1999 to the Security Council (S/1999/88), and paragraphs 16 to 18 of his report of 27 April 1999 (S/1999/483), it is indicated that the Office of the United Nations High Commissioner for Refugees (UNHCR) continues, in close coordination with MINURSO, its preparatory work for the repatriation of Saharan refugees, as provided for under the United Nations Settlement Plan. The Advisory Committee was informed that MINURSO would be reimbursed should it provide support to UNHCR in this regard.

19. The action to be taken by the General Assembly at its fifty-third session in connection with the financing of MINURSO is outlined in paragraph 27 of the proposed budget (A/53/820). The Secretary-General recommends that the Assembly appropriate the amount of $49,023,000 gross ($45,071,400 net), for the period from 1 July 1999 to 30 June 2000. Furthermore, the Secretary-General recommends that this amount be assessed at the monthly rate of $4,085,250 gross ($3,755,950 net), subject to the extension of the mandate of MINURSO by the Security Council beyond 30 June 1999.

20. The Advisory Committee points out, as stated in paragraph 2 above, that the Security Council, in its most recent resolution (resolution 1235 (1999)), decided to extend the mandate of MINURSO until 14 May 1999. Furthermore, in his most recent report to the Security Council (S/1999/483), the Secretary-General indicated that, under a revised outline calendar for the referendum process, the identification process would resume on 1 June 1999 and be completed in November 1999, and the appeals process would begin on 1 July 1999 and be completed by February 2000, with a view to holding the referendum in July 2000 (S/1999/483, para. 6). It is also indicated in that report that from July 1999 onward the Mission would increase the number of Identification Commission members from 25 to 30. Additional administrative and support personnel would be deployed, and an increase in its aviation assets and logistics support equipment would be required to facilitate the simultaneous conduct of both processes. The Mission would also need additional premises in support of the Identifications Commission's training of new staff in Laayoune (ibid., paras. 7 and 8).

21. As indicated by the Secretary-General in the same report (ibid., para. 19), and as has been confirmed by representatives of the Secretary-General to the Advisory Committee, the financial requirements, at maintenance level, related to the extension of the mandate of MINURSO beyond 14 May 1999, should the Security Council decide to extend the mandate of the Mission, as recommended by the Secretary-General, would be covered by the additional funds appropriated by the General Assembly in its resolution 53/18 of 2 November 1998 for the period from 1 July 1998 to 30 June 1999 ($37.3 million, equivalent to $4.7 million per month), and by the resources proposed by the Secretary-General for the 12-month period from 1 July 1999 to 30 June 2000 in the report under consideration (A/53/820), if provided by the Assembly. Moreover, as indicated by the Secretary-General, should the implementation of the revised timetable for the referendum process require additional resources, the Secretary-General would seek additional appropriation from the Assembly.

22. In view of the above, and the comments of the Secretary-General in paragraph 25 of his most recent report to the Security Council (S/1999/483) with regard to the many assumptions upon which the timely implementation of the calendar is predicated, the Advisory Committee concurs with the requests of the Secretary-General and recommends that the General Assembly appropriate, at this time, the amount of $49,023,000 gross ($45,071,400 net) for the 12-month period from 1 July 1999 to 30 June 2000, as mentioned in paragraph 19 above, subject to the extension by the Security Council of the mandate of the Mission beyond 14 May 1999.